

Rules and Regulations Forming Part of Customer Contract of Cochrane Lake Gas Co-op Ltd.

These Rules and Regulations have been made and approved by the Board pursuant to the Customer Contract that has also been approved by the Board.

The Board may change, modify, replace, or amend these Rules and Regulations by an authorizing resolution of the Board.

Any amendment to these Rules and Regulations will take effect thirty (30) days after the amended Rules and Regulations are posted to the Co-op's website.

1.0 DEFINITIONS

In these Rules and Regulations the following words shall have the following meanings:

- a) **"Board"** means the Board of Directors of the Co-op.
- b) **"Co-op"** means Cochrane Lake Gas Co-op Ltd.
- c) **"Customer"** means a member or other customer of the Co-op that receives Gas Service.
- d) **"Customer Contract"** means an agreement in the form approved and prescribed by the Board and entered into with Customers to provide Gas Service.
- e) **"Customer Contribution"** means the amount that the Board determines that the Customer must pay in order for the Co-op to install a Service Connection and/or provide Gas Service to the Customer.
- f) **"Customer Facilities"** means all of the pipes and related equipment and apparatus downstream of the outlet of the meter.
- g) **"Distribution System"** means a system of pipelines, regulators, meters and related apparatus and equipment constructed, owned, and operated by the Co-op and used by the Co-op to deliver Gas to Customers.
- h) **"Gas"** means natural gas with the quality supplied to the Co-op by its supplier, Gas Alberta Inc. and may include hydrogen gas as a component thereof.
- i) **"Gas Service"** means the provision of Gas (or natural gas blended with another approved gas) and related operation and maintenance services for the Distribution System up to and including the meter.

- j) **“Force Majeure”** means any acts of God, including but without restricting the generality thereof, lightning, earthquakes and storms; any strikes, lockouts or other industrial disturbances, acts of the King’s enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, floods, fires, washouts, arrests and restraints, civil disturbances; explosions, accidental shut off, breakages of or accidents to machinery or lines of pipe and subsequent repairs and maintenance, hydrate obstructions of lines of pipe, defective equipment, the orders of any court or governmental authority or directives of any competent health officer, any acts or omissions which are excused by any event or occurrence of the character herein defined as constituting force majeure, or any other causes whether the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which, by the exercise of due diligence such party is unable to overcome.
- k) **“Load”** means the estimated hourly flow rate used to determine the ability of the Co-op to deliver Gas to the Customer and unless expressly stated otherwise is one (1) gigajoule/hour.
- l) **“Membership”** means Membership in the Co-op that has been approved by the Board in its absolute discretion.
- m) **“Service Connection”** means the interconnection between the Distribution System and the Customer Facilities.
- n) **“Service Location”** means the legally described parcel of land where Gas Service is provided and/or where the meter is located and as set out in the Customer Contract.

Standard rules of interpretation shall apply to these Rules and Regulations so that the use of any pronoun shall be interpreted by context to mean the appropriate gender, or no gender and any use of the singular shall mean the plural as the context so requires.

2.0 APPLICATION OF RULES AND REGULATIONS

- a) These Rules and Regulations, as amended from time to time, apply to the Co-op and to every Customer to which the Co-op provides a Service Connection or Gas Service.
- b) The application for a Service Connection, the entering into a Customer Contract, the use by the Customer of a Service Connection to obtain Gas Services or the payment by the Customer of an account rendered by the Co-op in relation to a Service Connection shall constitute acceptance by the Customer of these Rules and Regulations whether or not the Customer has signed an application or signed a Customer Contract for Gas Service.
- c) No agreement can provide for the waiver or alteration of any part of these Rules and Regulations unless such agreement is made in writing and approved by the Board.

3.0 OWNERSHIP OF THE DISTRIBUTION SYSTEM

- a) The Customer is not the owner of any parts or segments of the Distribution System used to provide a Service Connection unless a written agreement between the Co-op and Customer specifically provides otherwise.
- b) Payment made by a Customer of a Customer Contribution does not entitle the Customer to ownership of any such part or segment of the Distribution System or any intellectual property, engineering, design, or other information or data, or any other rights relating to or in respect to the Distribution System.

4.0 RATES FOR GAS SERVICE AND OTHER SERVICES

- a) The Co-op will provide Gas Service to the Customer pursuant to the rates, tolls and charges set by the Board from time to time.
- b) All additional, supplementary, or extra services provided by the Co-op to the Customer will be charged at rates approved by the Board from time to time.
- c) Payment for Gas Service and for all other services shall be in accordance with the provisions of these Rules and Regulations.

5.0 ESTABLISHMENT OF SERVICE RATES FOR GAS SERVICE AND OTHER SERVICES

5.1 Application for Service Connection

- a) All Customers must be of legal age to contract with the Co-op for Gas Service and must execute an application in the form provided by the Board. The Co-op reserves the right to verify the identity of the Customer and the accuracy of the information provided by the Customer. If a Customer is not of legal age and/or is not the registered owner of the Service Location, the Co-op may require a person of legal age and who is the registered owner of the Service Location to accept responsibility for the Gas Service on the Customer's behalf or the Board may reject the application.
- b) An application made pursuant to Article 5.1 a) shall be deemed to also be an application for Membership in the Co-op. The Board may approve of an application for Gas Service or both Gas Service and Membership in the Co-op. The Co-op may provide Gas Service to a person without that person being approved for Membership in the Co-op.
- c) To enable the Co-op to provide the requested Gas Service at the appropriate Load, applicants for service shall supply information regarding the location of the premises to be served; the Load, the manner in which the Service Connection will be utilized; credit information; prepayment and any other information that may be required by Co-op.
- d) Upon receipt of the required application information, the Co-op will advise the applicant of the type and character of the Service Connection; the amount of any Customer Contribution, whether the applicant has been approved for Membership in the Co-op by

the Board and any special conditions that will apply to the Service Connection or the Gas Service at the Service Location.

5.2 Rejection of Application

The Co-op may, without limitation, reject any applicant's request for a Service Connection:

- a) When the applicant has not acquired or is not in possession of all necessary permits other authorizations that may be required for the installation of the Service Connection; or
- b) When the Co-op determines that a previous account owed by the Customer is in arrears with the Co-op; or
- c) When the Customer fails to provide a payment as specified in Article 5.3 (a) (b); or
- d) When the Co-op determines that the form of the Customer Contract is not appropriate for the Service Connection due to its unique nature and the Customer refuses to enter into an alternate form of agreement acceptable to the Co-op; or
- e) When any representation made by the applicant to the Co-op for the purpose of obtaining a Service Connection is, in the Co-op's opinion, fraudulent, untruthful, or misleading; or
- f) When the Customer has not, when requested by the Co-op to do so, provided an executed written or electronic application for a Service Connection, or has not provided a signed Customer Contract; or
- g) When the estimated load requirements, in the Co-op's opinion, have unusual characteristics that might adversely affect the quality of service supplied to other Customers, public safety, the safety of the Co-op's personnel, the Distribution System or other equipment; or
- h) For any other reason rejection of the application is deemed necessary by the Board.

5.3 Establishment of Credit or Security Deposits

- a) The Co-op, at its sole discretion, reserves the right to require that a Customer establish credit by way of a deposit or other acceptable credit facility (the Security) for any amounts in relation to services provided by the Co-op under these Rules and Regulations.
- b) The amount of the Security will be determined by the Co-op at the time of the service application or upon the Customer defaulting in payment of any account when due.
- c) If a Customer fails to pay an amount billed, the Co-op may apply all or any portion of the Security toward payment of the outstanding amounts and any subsequent unpaid costs incurred by the Co-op, including interest and any late payment charges. When the Co-op has taken this step, the Customer may be required to pay to the Co-op the amount deducted from the Security. Upon termination of a Service Connection or any contractual arrangement between the Customer and the Co-op, the Co-op may apply all or any

portion of the Security, including interest, toward payment of any amount due and owing by the Customer.

- d) The security is refunded or credited to the Customer's account with interest when the Service Connection is de-energized or disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Co-op or the Customer has satisfactorily established credit by paying all bills on or before the due date of each bill, for twelve (12) consecutive months.
- e) Interest on the Security (if made by cash deposit) will be calculated at the rate specified from time to time in The Residential Tenancies Act (Alberta). Interest will be credited to the Customer when such cash deposit is refunded.

6.0 CUSTOMER CONTACT

- a) The Customer will be required by the Co-op to sign a Customer Contract for each Service Connection. The Co-op reserves the right to discontinue Gas Service or de-energize the Service Connection when the Customer fails, neglects, or refuses to sign a Customer Contract.
- b) In the absence of a signed Customer Contract, the supplying of a Service Connection by the Co-op and the acceptance thereof by the Customer shall be deemed to constitute an agreement by and between the Co-op and the Customer for delivery, receipt, and payment for Gas Service pursuant to these Rules and Regulations at the rates, tolls and charges approved by the Board from time to time.
- c) If any provision of the Customer Contract, or the application thereof, is to any extent held invalid , unenforceable, void, or contrary to law by a Court or tribunal of competent jurisdiction, the remainder of the Customer Contract and the application thereof, other than those provisions which have been held invalid, unenforceable, void or contrary to law shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
- d) A Customer Contract is not assignable by the Customer.
- e) An applicant executing a Customer Contract will be required to pay a Customer Contribution unless waived by the Co-op in circumstances where that contribution was made by a previous member or previous customer at the Service Location.
- f) All services that are transferred, assigned, assumed or otherwise used by a person who purchases the Service Location upon which the existing Service Connection is located, or who takes over the operation or use of the Customer's facilities at an existing Service Location, including, without limitation any affiliate of or successor to the Customer and, if applicable, the owner of the Service Location, shall be subject to the terms of the Customer Contract(s) , together with the billing and demand history. Any change(s) in service requirements as a result of such transfer shall be made in accordance with these Rules and Regulations. The successor Customer shall enter into a replacement Customer Contract(s). The Co-op may perform a review of the Customer Contribution for the Service Location to determine whether any adjustments are required to the Customer Contribution. The existing contractual arrangements

will remain in place until any new agreements have been accepted by the Co-op. **It is the sole responsibility of a third-party that is taking over the use or operation of an existing Service Connection to undertake thorough due diligence with respect to the existence of and all terms of any existing Customer Contract.**

- g) The Customer associated with a new, altered or relocated Service Connection shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Co-op shall not be required to commence or continue installation or operation of a Service Connection unless and until the Customer has complied with the requirements of all permits, certificates, licenses, inspections, reports, and other similar authorizations.

7.0 SERVICE REQUIREMENTS AND FACILITIES

- a) After the Customer has complied with the Co-op's application and payment requirements and has been accepted for Gas Service by the Co-op and has obtained all required permits and/or inspections indicating that the Customer Facilities comply with all construction, safety standards or regulations, the Co-op shall install a Service Connection within a reasonably practicable time.
- b) The Co-op shall have the sole discretion regarding the installation of connection facilities and the location of the meter.
- c) The Customer shall furnish and maintain, at no cost to the Co-op, the necessary space, housing, fencing, barriers, structure marking, lighting, and foundations for the protection of the connection facilities and the Gas Distribution System to be installed upon the Service Location which may or may not include an active telecommunications line for measurement equipment. If the Customer refuses, the Co-op may at its option furnish and maintain, and charge the Customer for furnishing and maintaining, the necessary protection and electronic measurement equipment or apparatus. Such fencing, barriers, structures, markings, and foundations shall be in conformity with all applicable laws and regulations and shall be in accordance with and subject to the Co-op's specifications and approval.
- d) The Customer will ensure that the Customer Facilities comply with the applicable requirements and with any technical guidelines that may be issued from time to time by the Co-op or any authority having competent jurisdiction.

8.0 UTILITY RIGHTS OF WAY AND ACCESS TO GAS DISTRIBUTION SYSTEM

- a) **Easements:** As a condition of the Co-op providing a Service Connection and/or Gas Service, the Customer hereby grants to the Co-op, without cost to the Co-op, such easements or utility rights of-way (the "URW") over, upon or under the Service Location and any other parcels of land owned by the Customer that are required by the Co-op to install or construct the Service Connection and/or to provide Gas Service at the Service Location as the Co-op reasonably requires for the construction, installation, maintenance, repair and operation of the Gas Distribution System required to serve the Service Connection and any additions or extensions thereof that are or may be used to provide Gas Service to other Customers. The Customer undertakes to execute any utility right of way or easement agreement provided by the Co-op that grants the rights set out in this Article. The Co-op shall be at liberty to register such signed

utility right of way or easement on title to the Service Location. In the event that the Customer refuses, neglects or fails to sign a utility right of way or easement, the Co-op shall be at liberty to register a caveat on title to the Service Location to protect the easement and utility rights of way hereby granted.

- b) **Right of Entry:** The Co-op's employees, contractors and other representatives shall have the right to enter the Service Location at all reasonable times for the purpose of installing, maintaining, replacing, testing, monitoring, reading, discontinuing the Gas Service or removing the Distribution System and for any other purpose incidental to the provision of a Service Connection. The Customer shall not prevent, hinder, or charge a fee for allowing the Co-op's entry, including the use of roads on the Customer's property, or any adjacent or nearby property or crown land over which the Customer has the right to grant access for the purposes described in this section. In the event that any part or segment of the Distribution System is situated within a Customer's premises, the Co-op may require that the Customer provide to the Co-op a key for the purpose of gaining access to the Distribution System. The Co-op will endeavor to provide reasonable notice to the Customer except in cases of emergency when no notice is required to be given. The Co-op may charge a fee as determined by the Board from time to time any time that the Co-op's entry is considered by the Co-op's employees, agents, contractors, or other representatives as unsafe or is otherwise prevented, hindered, or refused. Without in any way limiting the generality of the foregoing, in circumstances where the Customer owns or has possession of a guard or watch dog, the Customer shall, at the request of the Co-op, be required to restrain the dog so that the Co-op, its employees, agents, contractors and other representatives do not feel threatened. The presence of an unrestrained dog shall be deemed to be a refusal of entry by the Customer.
- c) **Vegetation Management:** The Customer shall permit the Co-op to manage vegetation on the property owned or controlled by the Customer to maintain proper clearances, reduce the risk of contact with, and allow access to the Distribution System. The Co-op shall make reasonable efforts to notify the Customer before such work is performed. Customers are responsible for following Co-op setback requirements when planting new vegetation such as trees and shrubs. Customers shall be responsible for all vegetation management costs where Co-op setback requirements have not been met.
- d) **Interference with Gas Distribution System:** The Customer shall not install or allow to be installed on the Service Location, any temporary or permanent structures or vegetation that could interfere with the proper and safe operation of the Distribution System or result in noncompliance with applicable statutes, regulations, standards, and codes. The Co-op shall not be liable for any damage to any structure or improvement erected, installed, or placed in contravention of these Rules and Regulations that results from Co-op maintenance of the Distribution System or other service lines.

9.0 CO-OP RESPONSIBILITY AND LIABILITY

- a) **Continuous Supply:** The Co-op shall make all reasonable efforts to maintain continuity of Gas Service to its Customers, but the Co-op does not guarantee an uninterrupted Gas supply.
- b) **Interruption:** Without liability of any kind to the Co-op, the Co-op shall have the right to disconnect or otherwise curtail, interrupt, or reduce service to Customers:

- i. Whenever the Co-op reasonably determines that such a disconnection, curtailment, interruption, or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement, or inspection of any part of the Distribution System or to permit the connection or disconnection of other Customers; or,
 - ii. To maintain the safety and reliability of the Distribution System; or,
 - iii. Due to any reason related to dangerous or hazardous circumstances including emergencies, forced outages or for reasons of "Force Majeure"; or
 - iv. Due to the breach by the Customer of any of these Rules and Regulations or breach of the Customer Contract.
- c) **Reasonable Efforts:** The Co-op shall use reasonable efforts to minimize any scheduled curtailment, interruption, or reduction of Gas Service to the extent reasonably practicable under the circumstances, to provide the Customer with prior notification of any such curtailment, interruption, or reduction to the extent reasonably practicable, and to resume Gas Service as soon as reasonably practicable.
- e) **Co-op Liability:** Notwithstanding anything to the contrary contained in these Rules and Regulations or the Customer Contract, the Co-op shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, (excepting only direct physical loss, injury or damage to a Customer or a Customer's property, resulting from the negligent acts or omissions of the Co-op, its employees or agents) arising out of or in any way connected with Gas Service by the Co-op to its Customers including but not limited to any failure, defect, fluctuation, reduction or interruption in the provision of Gas Service by the Co-op to its Customers. For the purpose of these Rules and Regulations, and without otherwise restricting the generality thereof, "direct physical loss, injury or damage" shall not include loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract or any other economic loss or cost of purchased or replacement capacity and energy, cost of capital, and/or loss of use of any facilities or property, or any other similar damage or loss whatsoever.
- f) **Force Majeure:** In the event that the Co-op is unable, because of an event of Force Majeure, to provide a continuous supply of Gas to a Customer, the Co-op's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Co-op shall not be liable for any failure to perform any term of these Rules and Regulations to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Co-op shall give notice to the affected Customers of such interruption.
- g) **Release:** Subject to Section 9 (e), neither the Co-op, its directors, officers, agents, employees and representatives, ("Co-op Parties"), shall be liable to the Customer, its directors, officers, agents, employees and representatives ("Customer Parties") for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Customer Parties or any of them, howsoever and whensoever caused, and each Customer Party hereby forever releases each of

the Co-op Parties from any liability or obligation in respect thereof.

- h) **The Co-op Not Liable to Customer:** For greater certainty and without limitation to the foregoing in Sections 9 (e), the Co-op Parties (as defined above) shall not be liable to a Customer for any damages of any kind (except to the extent the Co-op is liable for such damages in accordance with Section 9 (e)), caused by or arising from any of the Co-op Party's conduct in compliance with or in breach of, or as permitted by, these Rules and Regulations or the Customer Contract.

10.0 CUSTOMER RESPONSIBILITY AND LIABILITY

- a) **Customer Responsibility for Facilities:** The Customer shall be responsible for the installation, condition, and maintenance of all Customer Facilities. Without restricting the generality of this Article, the Customer shall apply for and obtain any permit required for the installation of Customer Facilities constructed after this Contract comes into force. The Customer is prevented from installing any segment or portion of the Customer Facilities that will be used to serve third-parties. In the event that a subdivision of land should occur that results in the Customer Facilities serving a third-party on a subdivided parcel, the Co-op shall be at liberty to discontinue Gas Service until the Customer Facilities are disconnected from such third-party service.
- b) **Customer Responsibility for Damages:** The Customer shall be responsible for any destruction of or damage to the Distribution System located on the Service Location where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Customer or anyone permitted by the Customer to be on the Service Location.
- c) **Customer Liability:** The Customer shall be solely responsible for and comply with the regulations regarding the installation, condition and maintenance of the Customer Facilities and the Customer shall indemnify and save harmless the Co-op, its employees, directors, officers, agents and other representatives from and against any claim or demand for injury to persons or damage to property arising out of or in any way connected with the Customer Facilities and the use made by the Customer of Gas supplied by the Co-op, PROVIDED THAT such injury or damage is not caused by the negligence of the Co-op.

11.0 METERS

- a) **Installation and Maintenance of Meters:** The Co-op shall provide, install, and maintain all necessary regulators and meters necessary for measuring the natural gas supplied to the Customer. Unless impractical, meters shall be installed on the outside of the premises, and in any case the location shall be determined in the absolute discretion of the Co-op.
- b) **Meter Reading:** The Customer hereby authorizes the Co-op to connect, verify, maintain, and exchange automated meter reading and/or monitoring equipment for the purpose of transmitting and collecting meter reading information. The Customer hereby permits the Co-op to perform meter reading using automated monitoring equipment. The Co-op shall comply with the regulations of the authority having jurisdiction with regard to measurement equipment and devices. If Customer requests removal of automated monitoring equipment, the Co-op shall charge a fee as set by the Board from time to time.
- c) **Meter Test and Adjustments:** The Co-op may inspect and test a meter at any reasonable time.

At the request of Measurement Canada or an accredited agency as may, from time to time, be designated for this purpose, the Co-op shall arrange for a meter to be removed and tested by an official designated for that purpose. The Co-op will direct customers wishing to dispute the meter to Measurement Canada. If a test determines that the meter is not accurate within the limits set by government standards, the bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The Co-op shall not be liable to the Customer for any additional costs that are associated with such metering or meter reading errors.

- d) **Meter Reading and Estimates:** The Co-op shall determine the method of meter reading collection for its meters and equipment. When the Co-op has determined the method of collection is through an automated meter reading device and the Customer refuses to allow installation of the device, the Co-op will attempt Co-op meter readings approximately every six (6) months. The Customer will be charged for each meter reading attempt as provided for in the schedule of rates, tolls and charges approved by the Board from time to time.
- e) **Automated Metering Device Removal:** Where the Customer requests the removal of an automated meter reading device, the Co-op will remove the device and will apply the appropriate fee as provided for in the schedule of rates, tolls and charges approved by the Board from time to time. In addition, the Co-op will attempt Co-op meter readings approximately every six (6) months. The Customer will be charged for each meter reading attempt as provided for in the schedule of rates, tolls and charges approved by the Board from time to time.
- f) **Meter Reading:** In any event the Co-op will require a meter reading twice per year or as directed by Measurement Canada or such other Regulatory requirement.
- g) **Discrepancy in Meter Reads:** In the event that there is a discrepancy between the mounted meter index and a meter monitoring or automated meter reading device, the mounted meter index reading will be deemed to be correct unless a meter test or ERT test proves otherwise.
- h) **Additional Meter Reading Charge:** The Co-op will assess a charge to the Customer for additional reads in excess of the Co-op's standard practices as well as in situations where a Customer has refused to allow an automated meter reading device to be installed.
- i) **Retaining Records:** The Co-op shall keep an accurate record of all meter readings for the purpose of billing the Gas Services provided.
- j) **Non reliance on Customer Meter Reads:** The Co-op is not required to use a Customer provided meter reading for billing purposes.

12.0 RENDERING AND PAYMENT OF BILLS

- a) **Billing of Customer:** Bills shall be rendered in accordance with billing schedules established by the Co-op from time to time. Failure to receive a bill shall not release the Customer from the obligation to pay the bill nor will it entitle the Customer to any delay in the settlement of any account, or to any extension of the date after which a late payment charge becomes applicable.

Any bill rendered to a Customer for which valid payment has not been received by the date indicated on the bill shall be considered past due. The Co-op reserves the right to assess a late payment charge as determined by the Board from time to time.

- b) **Payment by Customer:** The Customer shall pay to the Co-op, on or before the due date indicated on the invoice, the amount billed by the Co-op and payable not later than the day shown upon the bill as the “due date”.
- c) **Approved forms of Payment:** The Co-op may refuse to accept payment on a Customer's account when payment by cheque is drawn on a form other than a bank cheque form. In the event the Co-op accepts payment by cheque drawn on any other form, the Customer shall be liable for and pay to the Co-op all charges and costs incurred to process the cheque. The Co-op follows the Bank of Canada rules and regulations of currency acceptance limitations.
- d) **Late Payment Charge:** Any amount owing for Gas Service and not paid by the due date shown on the bill shall be subject to a late payment charge as determined by the Board from time to time. all of which will be due and payable forthwith after the due date. If an outstanding balance remains on a go-forward basis, the Co-op may initiate collection action including, but not limited to, disconnecting Gas Service to the Customer.
- e) **Dishonored Payments Fee:** The Co-op reserves the right to assess a service charge to the Customer, in respect of any payment returned by the Customer's bank for any reason.
- f) **Billing Disputes:** If the Customer disputes any amount owing, the Customer shall nonetheless pay such disputed amount and submit the dispute for resolution in accordance with these Rules and Regulations. Following resolution of any such dispute, the Co-op will return any amount found owing, without interest, to the Customer forthwith. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of such dispute. The Co-op may assess a charge to the Customer for reviewing billing disputes, in circumstances where the Co-op has not been responsible for any billing error as set out in its rates, tolls and charges.
- g) **Encumbrance:** The Customer hereby charges and encumbers all of the Customer's estate, title and interest in the Service Location to the extent of any money owing by the Customer to the Co-op together with interest and all costs (including solicitor costs determined on a solicitor and his/her own client full indemnity basis) incurred by the Co-op in the collection such monies, interest and costs and consents to the Co-op being at liberty at anytime including a default in payment of monies owing by the Customer to the Co-op under the provisions of these Rules and Regulations or the Customer Contract to register a caveat or other instrument of charge on the title to the Service Location with respect to such money, interest and costs. This right is in addition to, and not in any way a derogation from or substitute for, other rights held and/or remedies available to the Co-op at law or in equity.

13.0 SERVICE CALLS

- a) The Co-op may require the Customer to pay the actual costs of a service call if the source of the problem is the Customer's facilities downstream of the outlet of the meter.

14.0 INTERFERENCE WITH CO-OP'S PROPERTY AND UNAUTHORIZED USE

- a) No one other than an employee or authorized agent of the Co-op shall be permitted to, in any way or manner, interfere with the Distribution System and for greater certainty and without restricting the generality of the foregoing to remove, energize, operate, or maintain meters, equipment and other facilities owned by the Co-op without Co-op permission. The Customer shall not interfere with or alter the Distribution System including but not limited to the meter, seals, or other facilities or permit the same to be done by any person other than the authorized agents or employees of the Co-op.
- b) Where the Co-op determines that there has been unauthorized use of the Service Connection including, but not limited to, meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use and the Co-op is denied full compensation for Gas Services provided, the Co-op will bill the Customer for the Co-op's estimate of energy and delivery charges for such unauthorized use and require Customer prepayment for any repairs, damages and reconstruction of Co-op facilities. Nothing in this section shall limit any other rights or remedies that the Co-op may have in connection with such unauthorized use.
- c) When the Customer is a Member and where the Co-op has determined that there has been unauthorized use of the Service Connection including but not limited to meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use, any such unauthorized use shall be cause upon which the Board shall be at liberty to expel the Customer from Membership.

15.0 TERMINATION BY CO-OP

- a) If the Customer violates any of these Rules and Regulations, or breaches the provisions of the Customer Contract or tampers with the Distribution System or permits its service piping, or equipment connected thereto to become, in the opinion of the Co-op, hazardous, or neglects to pay the charges for Gas Service due to the Co-op at any of the times fixed for the payment thereof, or refuses to provide entry or increases its Load without the permission of the Co-op, or makes fraudulent use of the Co-op's Gas Service, the Co-op, or anyone acting under its authority, may, without prejudice to any other right or remedy which the Co-op may have against the Customer, on giving forty-eight (48) hours' notice to the Customer, disconnect the Gas Service from the Distribution System. Notwithstanding the foregoing, if, in the opinion of the Co-op, the condition of the Customer Facilities is so hazardous as not to safely permit the giving of notice, no notice shall be required. The Customer shall, notwithstanding the discontinuance of Gas Service, be liable for and pay to the Co-op all charges for Gas Service provided up to the time of such discontinuance.
- b) When a contract for service is terminated by a Customer and a new application for service has not been received by the Co-op, the Co-op shall discontinue the Gas Service to the Service Location.
- c) If the piping or equipment described in Article 15.0 a) is found to be hazardous or noncompliant, the Co-op, at its absolute discretion, may choose to disconnect or shut off only that portion or piece of equipment which is in violation, in order to maintain Gas Service to the remaining

Customer facilities. The Co-op will report these incidences to the authority having jurisdiction.

- d) If the Customer is a member of the Co-op, any violation of these Rules and Regulations or breach of the terms of the Customer Contract by the Customer shall be cause for the expulsion of the Customer from Membership.

16.0 CHANGE IN SERVICE CONNECTION OR LOAD

- a) A Customer shall give to the Co-op reasonable written notice prior to any change in Gas Service requirements, including any change in Load to enable the Co-op to determine whether or not it can supply such revised Gas Service without changes to its Gas Distribution System. The Co-op shall not be obligated to supply to the Customer any Load in excess of that originally agreed to by the Co-op. If a change in a Customer's Load would require changes to the Co-op's Gas Distribution System, that Customer may be required to pay the Co-op's costs of such changes.
- b) The Customer shall not change its requirement for a Gas Service without the Co-op's written permission. The Customer shall be responsible for all damage caused to the Gas Distribution System as a result of the Customer changing its requirements for Gas Service without the Co-op's permission.
- c) In any case in which the Co-op is requested to relocate any of its Gas Distribution System, including service lines, regulators, and meters, or to install a remote meter index or automated meter reading device, the person requesting such relocation or installation may be required to pay the costs determined by the Co-op, acting reasonably. If requested by the Co-op, the Customer shall pay such costs in advance of the Co-op undertaking such relocation or installation. Any relocation shall be subject to the provisions of these Rules and Regulations. Any installation of a remote meter index or meter monitoring device shall be subject to these Rules and Regulations.
- d) The Co-op reserves the right, at its expense, to relocate piping, regulators or meters for operating convenience.

17.0 MISCELLANEOUS PROVISIONS AND TERMS

- a) **Legal Compliance:** The Co-op and the Customer, and agents thereof, are subject to, and shall comply with, all existing or future applicable federal, provincial, and municipal laws, all existing or future orders or other actions of governmental authorities having applicable jurisdiction. The Co-op will not violate, directly or indirectly, or become a party to a violation of any applicable federal, provincial, or local law, regulation, bylaw, rule, or order to provide a Service Connection or Gas Service. The Co-op's obligation to provide a Service Connection and/or Gas Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such services have been obtained and will be maintained in force during the period of service.
- b) **No Assignment:** The Customer shall not assign any of its rights or obligations under these Rules and Regulations or the Customer Contract, or any other agreement with the Co-op relating to Gas Service. In the event that the Customer commits an act whereby a third-party is bound by the obligations of the Customer pursuant to these Rules and Regulations or the Customer

Contract, no such circumstance shall relieve the Customer of any of its obligations under these Rules and Regulations or the Customer Contract.

- c) **No Waiver:** The failure of the Co-op to insist in any one or more instances upon strict performance of any provisions of the Customer Contract, or any other agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provision or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Rules and Regulations or the Customer Contract shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Co-op and approved by the Board.
 - d) **Invalidity of Contractual Provisions:** If any provision of these Rules and Regulations, the Customer Contract, or any other agreement with the Co-op is to any extent held invalid or unenforceable, the remainder of the Rules and Regulations or the Customer Contract, (as the case may be), and the application thereof, other than those provisions which have been held invalid, shall remain in full force and effect.
 - e) **Use of Personal Information of the Customer:** The Customer hereby authorizes and consents to the Co-op, at anytime and from time to time, conducting any credit investigation and exchange of information respecting the Customer. The Customer hereby directs its lenders and all other parties (including the Crown and government agencies) having such information (in this Article: the "Releasees") to release such information to the Co-op when requested to do so by the Co-op. The production of this paragraph to the Releasees shall be their full and sufficient authority to do so. The Customer hereby consents to the use of the personal information of the Customer (including credit information) in the administration of these Rules and Regulations and/or the Customer Contract and in the enforcement and collection of monies, interest and charges owing by the Customer to the Co-op under these Rules and Regulations and/or the Customer Contract.
 - f) **Amendments or Changes:** These Rules and Regulations may be modified, changed, amended or replaced at any time and from time to time by the Board notwithstanding any contrary interpretation of a term or condition of these Rules and Regulations or of the Customer Contract.
-

CUSTOMER CONTRACT

This agreement made and entered into this _____ day of _____ A.D., 2024
BETWEEN

COCHRANE LAKE GAS CO-OP LTD.

a member owned co-operative association, registered under the laws of the Province of Alberta (hereinafter called the "Co-op") -- and- OF THE FIRST PART

NAME *
 *
 *

(Hereinafter called the "Consumer") THE SECOND PART

SERVICE LOCATION LEGAL DESCRIPTION OF CONSUMER'S LAND

Legal Description: *

Service/Municipal Location: *

WHEREAS the Consumer desires a supply of natural gas for use at the Service Location;
AND WHEREAS natural gas service is available to all farming, residential and other Consumers within the scope of the Gas Distribution Act who have met current membership requirements of the Co-op;
AND WHEREAS this document is deemed to be an application only for service until it is fully executed under seal by the duly authorized officers of the Co-op;
AND WHEREAS the Consumer agrees to become a member of the Co-op upon acceptance and approval of the Board of Directors of the Co-op of his application and upon the Board of Directors of the Co-op requesting that he do so;
AND WHEREAS the Co-op at all times reserves the right to refuse an application for just cause.
NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, covenants and agreement herein contained, the parties agree as follows:

1. **DELIVERY AND SALE** The Co-op shall sell and deliver to the Consumer, so far as is practical to do so, and the consumer shall purchase from the Co-op all of his requirements for natural gas.

2. **CONSTRUCTION COSTS** At the time of making the within application the Consumer shall pay to Co-op either of (a), (b) or (c) as specified hereunder:

- (a) If a Rural Consumer the sum of **\$ Paid in Full** as his share of the cost of Co-op's distribution system.
- (b) If an Urban Consumer the sum of **\$ n/a** as his share of the cost of said system.
- (c) If a High-Volume Consumer the full costs to Co-op of providing natural gas service to Consumer.

If Co-op refuses the within application it shall forthwith refund any sum tendered with the application.

3. In the event that the actual cost to the Co-op of providing natural gas service to either a Rural Consumer or an Urban Consumer exceeds the total of the contribution by Consumer as aforesaid and the government grant, if any, Consumer shall forthwith pay to Co-op on demand Consumer's share of such costs in excess of such total as calculated by the Co-op..

For the purpose of this Clause, a "High Volume Consumer" shall mean a Consumer who intends or is likely to take in excess of one (1) gigajoule per hour at any time during the term of this contract. In the event a Rural or an Urban Consumer, as each of these is defined by Co-op, shall at any time have delivered to him natural gas at a rate in excess of that specified above,

he shall thereupon become a High-Volume Consumer and shall forthwith make application as such for natural gas service. Upon such party failing to so make application within Ninety (90) days after the giving of notice by Co-op, such party shall be deemed to have breached this contract.

5. **TITLE** The Title to the distribution system up to and including the meter and including the extensions to serve other members or consumers shall be vested in the Co-op notwithstanding the contribution to the costs hereof made by the Consumer. The Co-op shall save the right to make use of and/or continue the said line extensions for the purpose of serving other members or Consumers.

6. **METER LOCATION** The gas meter shall be placed on the Consumer's property at a point which the Co-op shall have the sole right to determine. The Consumer may designate his choice of location prior to construction and so notify the Co-op and Co-op may comply with the Consumer's wishes if in the opinion of the Co-op the location is suitable and practical for technical and safety reasons. Title to the natural gas supplied by the Co-op shall pass from the Co-op to the Consumer at the outlet of the gas meter.

7. **RIGHT OF WAY** The Consumer shall grant the Association right of way to construct and maintain the pipe lines on the Consumer's property that are needed to deliver gas to the Consumer and to other customers of the Association. These lines shall be located in accordance with the Consumer's wishes whenever practicable. The Consumer undertakes to execute the Utility Right of Way that is necessary to secure this grant to the Association.

8. **ACCESS** The Co-op, its servants, agents and nominees, shall have the right of reasonable access to the Consumer's Land at all reasonable times for the purpose of reading meters, and for the purpose of inspecting any of the lines, equipment or appliances upon the Consumer's Land whether the same are the property of the Co-op or the Consumer, and for the purpose of repairing or maintaining the same, or of removing all or any part of the same which are the property of the Co-op.

9. **MAINTENANCE** The Co-op shall at its sole risk and expense construct pipelines; supply meters, regulators, and other facilities needed to deliver natural gas to the outlet of the meter. The Co-op shall perform all maintenance and make renewals or replacements as it sees fit to do so. The Co-op will not, however, be responsible for repairs, renewals, replacements or maintenance of the Consumer's piping or equipment beyond the outlet of the meter which is designated as the point of entry.

10. **DOWNSTREAM CONSTRUCTION** The Consumer shall be liable for the costs of installations of all secondary piping beyond the outlet of the meter and within his own premises including from the point of delivery to the buildings and shall assume all risk and responsibility with respect to such piping and his equipment and the protection of the same. The Consumer agrees that any such piping shall be done in conformity with all laws, statutes, by-laws, rules and regulations relating to gas fitting applicable in the Province of Alberta and in conformity with any rules and regulations made by the Directors of the Co-op. The Co-op shall have the right to inspect such piping but such inspection shall not relieve the Consumer of his responsibility in respect of such piping and installation, or in respect of any of his equipment or appliances.

11. **WARNING AND INDEMNITY** The Co-op shall incur no liability by reason of failure to supply natural gas for any cause beyond the reasonable control of the Co-op, nor shall it be liable for loss, costs, or damage to persons or property arising or resulting from the supply or use of natural gas. The Consumer is hereby warned of the danger from contact with any part of the Co-op's lines or equipment, and he shall at all times exercise every precaution necessary to prevent any damage to said lines and equipment. In the event of any accident, injury or damage occurring by reason of tampering, full responsibility therefore as between the Co-op and the Consumer shall be upon the Consumer and the Consumer shall at all times indemnify and save harmless the Co-op from any and all claims for damages arising by reason of any such accident, injury or damages. The consumer shall be responsible for all damages to line and equipment on his property due to his and/or his agent's negligence

12. **RESALE** The Consumer shall not resell natural gas delivered to him under the terms of this Agreement.

13. **DISCONTINUANCE OF SERVICE** The Co-op shall have the right to discontinue or refuse to continue the supply of natural gas to the Consumer for any of the following reasons:

- a) Lack of supply of natural gas;

- b) Repairs to piping or equipment;
- c) Conditions which in the opinion of the Co-op are dangerous to life or property;
- d) To prevent fraud, abuse to Co-op property or the resale to others of natural gas;
- e) Non-payment of any account when due;**
- f) The insolvency or bankruptcy of the Consumer;
- g) The use not in conformity with the provisions of the Agreement by the Consumer of any natural gas;
- h) The breach by the Consumer of any of the provisions of the Agreement.

The Co-op shall not be required to provide notice of discontinuance for the reasons set out in subclauses (a) to (c) inclusive but shall give forty-eight (48) hours' notice of discontinuance for the reasons set out in subclauses (d) to (h) inclusive.

The discontinuance of the supply of natural gas for any of the reasons aforesaid shall in no way affect any other rights or remedies that the Co-op may have against the Consumer. The Co-op shall have the right to charge the Consumer a reconnection fee as set from time to time by the Board of Directors of the Co-op before the supply of natural gas is reconnected after discontinuance for any of the reasons set out in subclauses (c) to (h) inclusive. The Co-op in its discretion may refuse to reconnect any service where the same has been discontinued for any of the reasons set out in subclauses (c) to (h).

14. NOTICE The Co-op may serve discontinuance notice, or other document required to be served hereunder by mailing the same by mail to the Consumer at the address herein provided or by delivering the same to the premises where natural gas is being supplied by the Co-op and/or attaching the same to the door of the premises.

The Consumer may give notice to the Co-op by delivering the same to the Co-op's head office and leaving the same with the General Manager or by mailing the same by mail to the Co-op at the address herein provided. The addresses of the parties hereto, to which communications and notices may be served and to which all payments shall be made are as follows:

COCHRANE LAKE GAS CO-OP LTD
 209 Railway
 Street East
 Cochrane, AB
 T4C2C3

And for the Consumer *

 *

 *

Any such notice or document shall be conclusively deemed to have been given and received if delivered, on the date of such delivery, or if mailed, SEVEN (7) days after such mailing. Either party may change its address by notice in writing served upon the other party.

15. GAS RATES The Consumer shall pay to the Co-op for natural gas at a rate set by the Directors of the Co-op from time to time. Payment by the Consumer for gas purchased during each calendar month shall be made to the Co-op or its agent on or before the due date, accounts for natural gas, and operating charges which are not paid when due shall bear interest at a rate as set by the Board of Directors of the Co-op from time to time. The Co-op hereby acknowledges receipt of a deposit in the sum of \$ **NIL** to be credited to any amount owing to the Co-op by the Consumer.

In the event that the Co-op deems it necessary to commence legal proceedings to collect any amount owing by the Consumer hereunder, the Consumer shall be obligated to pay, in addition to any other amount owing, solicitor-client fees incurred by the Co-op with respect to such collection.

16. OPERATING CHARGE The Consumer shall pay to the Co-op a monthly operating charge as set by the Board of Directors of the Co-op from time to time. The operating charge shall be payable by the Consumer from the 1st day on which natural gas is made available to the Consumer at the Service Location whether or not the Consumer is burning natural gas and payable on the same date and in the same manner as gas rates.

17. **RENTAL PROPERTY** In the event that the Consumer has entered into or hereafter enters into an agreement whereby the Consumer's land to which natural gas is supplied is rented to a third-party, the Consumer shall be liable to the Co-op for default in payment by the third-party, for all rates, charges and other costs (including interest thereon) charged hereunder notwithstanding that the third-party has entered into a customer contract with the Co-op and notwithstanding that the invoice for natural gas and the operating charge is addressed to such third-party.

18. **TERM** This agreement shall be for a term of ten years from the date first above written and thereafter shall continue in force from year to year subject to termination at the end of any such year by either party giving to the other party at least thirty (30) days' notice in writing of such termination.

19. **TRANSFER** This Agreement is not transferable or assignable by the Consumer.

20. **VERBAL AGREEMENTS** No promises, agreements or representations by an agent or employee of the Co-op shall be binding upon the Co-op unless the same is incorporated into this agreement before it is signed and accepted by the Co-op.

21. **AGENTS** Notwithstanding anything herein contained, the Co-op shall be entitled to assign all or any of its rights or obligations under this Agreement and may from time to time appoint, employ or engage a person, firm or corporation to do any act or thing which the Co-op is required or entitled to do hereunder, either in its own name or in the name of the Co-op. In such event, such person, firm or corporation shall have the rights to access to the Consumer's Lands set out in Clauses 7 and 8 herein.

22. **DEFINITIONS** IT IS UNDERSTOOD that subject to clause 19 herein, this Agreement shall inure the benefit of and be binding upon the Co-op, its successors and assigns and the Consumer, his executors and administrators, successors and assigns and that wherever the singular or masculine is used herein the same shall be construed as meaning the plural or feminine or a body corporate where the context so requires and that if the Consumer is two or more parties, the agreements and covenants on their part shall be deemed to be joint and several.

23. **ENCUMBRANCE** The Consumer hereby charges and encumbers all his estate and interest in the Consumer's Land to the extent of any monies owing by the Consumer to the Co-op from time to time under the terms hereof together with any costs, including legal fees on a solicitor and client basis, incurred by the Co-op in the collection thereof: and acknowledges and agrees that the Co-op may, upon default of payment of any amount owing hereunder, register a Caveat against the title to the Consumer's Lands respecting such debt. The foregoing shall be an addition to and not in derogation from or substitution for, any other rights or remedies to which the Co-op may be entitled.

24. **REGULATIONS** This Agreement is made subject to all rules and regulations passed by the Board of Directors of the Co-op from time to time and of any governmental body having jurisdiction and such rules and regulations form a part of this Agreement. The Customer acknowledges reading the current Rules and Regulations prior to signing this Customer Contract.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the:

_____ day of _____ **2024.**

COCHRANE LAKE GAS CO-OP LTD. (CORPORATE SEAL)

PER: _____

SIGNED In the presence of:

Customer Signature

Witness to Customer(s) (Please Print)

Customer Signature

Witness Signature

Designated Voter (Print one name)